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NOVA Group Holdings Limited

諾發集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1360)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

SUNWAH KINGSWAY

新華滙富

The Board is pleased to announce that the condition to the Placing Agreement had been fulfilled on 17 January 2023 and completion of the Placing took place on 20 January 2023. A total of 198,250,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Places at the Placing Price of HK\$0.073 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

Reference is made to the announcement of NOVA Group Holdings Limited (the “**Company**”) dated 30 December 2022 in relation to the placing of up to 371,180,000 new shares under the general mandate (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as those defined in the Announcement.

COMPLETION OF THE PLACING

The Board is pleased to announce that the condition to the Placing Agreement had been fulfilled on 17 January 2023 and completion of the Placing took place on 20 January 2023. A total of 198,250,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK\$0.073 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing approximately 9.65% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon completion of the Placing.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees are professional, institutional or other investors who and whose respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. None of the Placees has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon completion of the Placing.

USE OF PROCEEDS

As set out in the Announcement, the net proceeds from the Placing (assuming all the Placing Shares are fully placed) would amount to approximately HK\$25.20 million and it was intended that (i) approximately HK\$8.0 million or 31.75% of the net proceeds from the Placing towards the repayment of debts of the Group; (ii) approximately HK\$9.2 million or 36.50% of the net proceeds from the Placing towards potential investments when opportunities arise; and (iii) approximately HK\$8.0 million or 31.75% of the net proceeds from the Placing towards replenishment of the working capital of the Group to support its business operations. As the Placing Shares were not fully placed, the actual net proceeds now amount to approximately HK\$13.50 million and the net issue price per Placing Share is approximately HK\$0.068.

After taking into account the financial position of the Company and the fact that the Placing Shares were not fully placed, the Company intends to adjust the use of proceeds as follows:

- (i) approximately HK\$3.0 million or 22.22% of the net proceeds from the Placing towards the repayment of debts of the Group;

- (ii) approximately HK\$2.5 million or 18.52% of the net proceeds from the Placing towards potential investments when opportunities arise; and
- (iii) approximately HK\$8.0 million or 59.26% of the net proceeds from the Placing towards replenishment of the working capital of the Group to support its business operations.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before completion of the Placing; and (ii) immediately upon completion of the Placing are set out as follows:

Shareholders	(i) Immediately before completion of the Placing		(ii) Immediately upon completion of the Placing	
	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>
Mr. Chen Chao	163,835,000	8.83	163,835,000	7.98
The Placees	–	–	198,250,000	9.65
Other public Shareholders	<u>1,692,068,277</u>	<u>91.17</u>	<u>1,692,068,277</u>	<u>82.37</u>
Total	<u>1,855,903,277</u>	<u>100.00</u>	<u>2,054,153,277</u>	<u>100.00</u>

By Order of the Board
NOVA Group Holdings Limited
Deng Zhonglin
Chairman and Chief Executive Officer

Hong Kong, 20 January 2023

As at the date of this announcement, the Board comprises Mr. Deng Zhonglin and Mr. Wong Yuk Lun Alan as executive Directors; Ms. Huang Chian Sandy as non-executive Director; and Mr. Choi Hung Fai, Mr. Tsang Wing Ki and Dr. Wong Kong Tin, JP as independent non-executive Directors.